

ER 61-4318/a

STAT

8 JUN 1961

Mr. Roger Hilsman
Director of Intelligence and Research
Department of State
Washington 25, D. C.

Dear Mr. Hilsman:

Thank you for your letter of 23 May addressed to Mr. Dulles, accepting the conditions pertaining to the transfer of the Biographic and National Intelligence Survey programs.

This Agency is making every effort to transfer as many people as can qualify to our rolls. To this end we are working closely with the Bureau of Intelligence and Research and the Department's personnel office.

With respect to financial arrangements, representatives of our Comptroller's Office have arranged to meet with their counterparts in the Department.

Sincerely,

SIGNED

C. P. Cabell
General, USAF
Deputy Director

STATE review(s) completed.

O/DD/I/A. [] vcl(6/1/61)
Rewritten: O/DCI/W. Elder:kpm(6/8/61)
Distribution:
Orig & 1 - Addressee
1 - DDCI
1 - ER (w/basic)
1 - DD/S
1 - DD/I

CONCUR (Original version)
/s/ R. Amory, Jr. (DD/I)
/s/ L. K. White (DD/S)

1 - Comptroller
1 - D/Personnel

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STAT

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SENDER WILL SIGNATURE FOR TOP AND BOTTOM
UNCLASSIFIED CONFIDENTIAL SECRET

CENTRAL INTELLIGENCE AGENCY
OFFICIAL ROUTING SLIP

| TO | NAME AND ADDRESS | INITIALS | DATE |
|----|---|-----------|--------|
| 1 | DD/S - Attn: [redacted] | <i>JK</i> | 6/1 |
| 2 | Rm. 122 East Bldg. <i>Col White via</i> [redacted] | | 6/2/61 |
| 3 | DDCI | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |

| | | |
|-------------|--------------|----------------|
| ACTION | DIRECT REPLY | PREPARE REPLY |
| APPROVAL | DISPATCH | RECOMMENDATION |
| COMMENT | FILE | RETURN |
| CONCURRENCE | INFORMATION | SIGNATURE |

Remarks:

Here is the letter for General Cabell's signature to Mr. Hilsman that we discussed.

2. Recommend concurrence.
JK/1

FOLD HERE TO RETURN TO SENDER

| FROM: NAME, ADDRESS AND PHONE | | DATE |
|-------------------------------|--|------|
| ODDI - [redacted] | | |

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1836
61-4318/a

Mr. Roger Hillsman
The Director of Intelligence
and Research
Department of State
Washington 25, D. C.

Dear Roger:

Thank you for your letter of 23 May stating that in view of the Civil Service Commission General Counsel's informal ruling the Department can accept the conditions we set forth pertaining to the transfer of Biographic and National Intelligence Survey programs.

You may be sure that this Agency is making every effort to transfer as many people as can qualify to our rolls. To this effect we are working closely with your INR people and State's personnel office.

With respect to financial arrangements representatives of our Comptroller's Office will meet with the appropriate people at State next week.

Sincerely,

C. P. Cabell
General, USAF
Deputy Director

ODDI/[]/vcl

1 June 1961

Distribution:

0&1-addressee

1-DDCI

1-ER

2-DD/S (1 withheld)

1-DDI

1-AVS

1-Compt (added by DD/S)

1-D/Sec

1-GC

CONCUR:

[] 25X1

DD/I

[]

DD/S

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JUN 1961

25X1

25X1

~~CONFIDENTIAL~~

REC-1

6-4318

DEPARTMENT OF STATE
THE DIRECTOR OF INTELLIGENCE AND RESEARCH

WAP 11 1 1961

Dear Allen,

I refer to General Cabell's letter of 29 April 1961 setting forth the conditions under which the transfer to CIA of the Department's Biographic and National Intelligence Survey programs would be acceptable to the Agency.

As a result of the Civil Service Commission General Counsel's informal ruling that the withdrawal of these functions from the Department of State will be considered as a reduction in work rather than a transfer of functions, the Department is now able to accept the conditions stated in the General's letter.

The General Counsel emphasized that in making this ruling, he expected that State and CIA would jointly make every effort to transfer enough people to avoid a reduction in force in the State Department. I am sure we may expect the continued full cooperation of your staff in pursuing this objective.

There will also be the problem of working out fairly complex financial arrangements to cover the transitional and liquidation period. I believe members of your staff are aware of this problem and I feel sure that mutually satisfactory plans can be developed.

Sincerely,



Roger Hilsman

The Honorable
Allen Dulles,
Director, Central Intelligence Agency,
Washington.

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Copies of this letter have been sent
to the DD/S for necessary action and to General
Cabell and Bob Amory for their information.

Attached is a copy of your 29 April letter
to Roger Hilsman.

To _____ AAB
25 May 61
(DATE)

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FROM:
Roger Hilsman
Dept of State

TO:
DCI

ER NO.
61-2614
DATE
NONE
CLASS.
CONF

*XR 61-34529
2615*

~~sub:~~ Underseparate cover, I have forwarded you our thoughts on the transfer of State bio functions to your Agency. The encl paper covers, in general terms, a proposed plan for the transfer of State HIS operations to CIA. Att: Memo of INR/Hilsman fm INR/EX/McCue dated 21 Mar 61. subj: Transfer of HIS Functions to CIA

h/h: O w/att-DCI/JSE

5/12: O w/att-held by ODI - fm

STAT

1

FROM:
Roger Hilsman
Dept of State

TO:
DCI

ER NO.
61-2615
DATE
NONE
CLASS.
CONF

*XR 61-26149
61-3452*

~~sub:~~ As a result of my conversations with you and discussions between members of our staffs, we have prepared the encl paper which outlines the major problem to be solved and the action required to effectuate the transfer of the Dept's bio functions to your Agency.

Att: Memo to INR/Hilsman fm INR/EX/McCue dated 21 Mar 61.

subj: Transfer of INR Bio, Intell Functions to CIA

h/h: O w/att-DCI/JSE

5/12: O w/att-held by ODI - fm

STAT

1

81-61-3452

Honorable Roger Hilsman
Director of Intelligence and Research
Department of State
Washington 25, D. C.

Dear Mr. Hilsman:

We have studied your letters with respect to the proposed transfer to the Central Intelligence Agency of those portions of the National Intelligence Survey and Biographic Programs which have heretofore been performed by the Department of State. We are, in principle, in favor of your proposals and are prepared to proceed with the transfer of the personnel involved with the understanding that these transfers will take place in the same manner and under the same authorities as apply to all transfers from other Government agencies to the Central Intelligence Agency.

As you know, this Agency is exempted from the Classification Act and is not under the jurisdiction of the Civil Service Commission. Consequently, all appointments to this Agency are made under the authority of Section 8. of the Central Intelligence Agency Act of 1949, as amended. In making appointments under this authority certain standards are applied which in some cases are not common to all Government employees. It will, therefore, be necessary to apply our security, medical and other entrance-on-duty criteria to individual employees scheduled for transfer. For example, an employee married to or contemplating marriage to an alien will require special consideration. Personnel involved should also understand that it is the practice in this Agency that an employee will normally retire when he becomes eligible for retirement unless he is asked to remain in service. Also, while personnel who have acquired Civil Service status retain such status under the Civil Service Commission, they do not have preferential status with this Agency. In general, however, Agency employees have at least the same entitlements as others employed in the Federal service.

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We appreciate the desirability of coming to a final conclusion with regard to this matter and effecting the personnel actions involved as soon as possible. To this end we are prepared to proceed with your representatives to work out the necessary details.

Sincerely,

C. P. Cabell
General, USAF
Deputy Director

GC:LRH:jeb

Rewritten:DD/S:LKW:laq

Distribution:

O & 1 - Add - by hand 4/29/61

X - ER

1 - DDCI

1 - DD/I

1 - AD/CR

1 - AD/BI

1 - COMPT

1 - D/SEC

1 - D/PERS

1 - C/MED STAFF

1 - DD/S chrono

1 - DD/S subject

1 - G-2

CONCUR:

25X1

L. K. White

Deputy Director

(Support) 28 April 1961

Robert Amory, Jr.

Deputy Director (Intelligence)

28 Apr 61

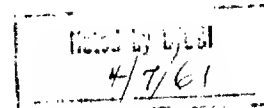
Concurred in draft

L. R. Houston

General Counsel

WASHINGTON

AWP/kmc



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Dear Allen:

Under separate cover, I have forwarded you our thoughts on the transfer of State biographic functions to your Agency. The enclosed paper covers, in general terms, a proposed plan for the transfer of State NIS operations to CIA. I have forwarded this plan separately because we would prefer to arrange the details of the biographic transfer first and then use the experience gained in that transfer to refine implementation of the NIS transfer.

My staff is available for consultation and assistance in implementing the transfer. Our NIS Coordination Staff should be able to provide information and advice concerning the professional competence of the personnel involved, and I have asked the Staff Director, Mr. Daniel Clinton, to assist in every way possible.

May I have your comments and/or approval of the proposed plan at an early date?

Sincerely,

R. Hilsman
Roger Hilsman

Enclosure:

Proposed plan for transfer of State NIS
operations to CIA

The Honorable
Allen Dulles
Director, Central Intelligence Agency,
Washington

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DEPARTMENT OF STATE
BUREAU OF INTELLIGENCE AND RESEARCH

March 21, 1961

MEMORANDUM

To: INR - Mr. Hilsman
From: INR/EX - Donald B. McGue
Subject: Transfer of NIS Functions to CIA

1. The Problem

How to transfer the NIS functions, personnel and working material (files) now in the Department of State to CIA with the minimum effect on NIS production and the personnel involved.

2. Discussion and Solution

a. Functions

NSCID No. 3 assigns the responsibility for the production of political and sociological intelligence on all countries outside the Sino-Soviet Bloc to the Department of State. However, Paragraph 1 b. of the same directive states that changes in outline or allocation of production and maintenance responsibility shall be effected by agreement between the DCI and the Departments and Agencies concerned. Under the latter clause, it is presumed that the DCI has authority to approve changes such as we have proposed.

b. Personnel

There are, at present, 289 NIS positions authorized in the Bureau. This figure includes 20 positions in the Library. The transfer of NIS to CIA is not a simple movement of personnel and functions such as the biographic transfer, because most segments of the Bureau either worked on, or serviced, NIS and, therefore, have NIS-financed

positions

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- 2 -

positions authorized. Further, because of the flexibility required in staffing, frequently S&E-financed personnel have worked on NIS and NIS personnel have worked exclusively on S&E production or State Department production other than NIS. In addition, there are NIS-financed positions in the A Area which may, or may not, remain once the transfer is completed.

A preliminary survey has been made of each Office and Staff. Each Office and Staff Director has furnished a list of the personnel whom he feels will be available for transfer. These are, in the main, personnel who have devoted the major part of their efforts to NIS production. A list of these personnel has been furnished Captain Knowles of OBI. However, since it is perfectly natural for Office and Staff Directors to wish to retain the best personnel, we have furnished Captain Knowles with an additional roster which lists the personnel on the Offices' retention lists and includes some of those primarily engaged in NIS production.

We believe that there must be a meeting of the minds regarding security requirements on behalf of the Agency before we can approach personnel and ask them if they wish to transfer. To keep the security cross-check requirements at a minimum, we have asked Captain Knowles to indicate which personnel he would like to have transferred and we will then arrange for appropriate security checks on these personnel prior to interviewing them for transfer.

The same problems regarding rights, privileges, length-of-service, Civil Service dismissal regulations, etc. must be explored and resolved as in the case of the BI transfer. We are agreed that OBI must be furnished competent professionals in order that the work may be carried forward without serious gaps in production.

As in the case of BI, certain Foreign Service Officers now working on NIS may be detailed to the Agency until the Agency has an opportunity to recruit Civil Service personnel to fill the analysts' slots.

3. Files

The NIS and other basic files of the Bureau are, in many instances, integrated. In order that the transferred

analysts

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analysts may continue in their work, a certain portion of the files will have to be transferred with them. This is a difficult process and may require an analyst-by-analyst approach. Undoubtedly, the Agency now has much of the needed research material. However, it will probably be some time before they have built up complete coverage on each area.

In order to keep the transferred files current and provide CIA with access to all information and intelligence resources, all material formerly forwarded to various segments of the Bureau for basic research on NIS must also be furnished CIA.

4. Liaison

There will undoubtedly be a step-up in liaison activities. Analysts from CIA researching for, or working on, political, sociological and cultural sections of NIS must have access to the Geographic Bureaus, INR's country analysts, and other portions of State. Conversely, State officers must have similar access to CIA personnel. The present system of substantive review by the Department and the field must be continued and expanded if necessary.

5. Field Reporting

There will be no change in field reporting. However, the Department, and specifically INR, must see that the NIS requirements of CIA, formerly the Bureau's requirements, receive full consideration within the Department and the Foreign Service.

6. Recommendation

The following recommendation assumes that the transfer can be made without excessive damage to the work in the transitional period and without the generation of large-scale placement problems in the Department. If these problems should become too acute, it might be necessary to consider basic modification of this plan; that the transfer, as outlined under discussion, and the solution above be approved. I would also recommend that transfer of NIS follow the transfer of BI. Based on the difficulties encountered in the transfer of BI, such modification as may be necessary can then be placed into effect. In any event, both transfers should take place as soon as possible. Additional delay is extremely harmful to the morale of the employees and is effecting the biographic and NIS production.

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